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SUBJECT: SENIOR SENATE INVESTIGATOR WALKS THE HALLS OF

VIENNA'S INTERNATIONAL ORGANIZATIONS

- 11. (SBU) Senate Foreign Relations Committee (SFRC) Senior Investigator Doug Frantz relied on his journalistic experience and extensive network of contacts to conduct an unconventional, one-man staffdel to Vienna February 9 13. Engaged by SFRC Chairman John Kerry (whom he knew in connection to the 1991 BCCI international banking scandal), Frantz developed his own schedule yet proved collegial in both sharing and gleaning information from the Mission. During his visit, Frantz held meetings at the International Atomic Energy Agency (IAEA), UN Office of Drugs and Crime (UNODC) and the Comprehensive Test Ban Treaty Organization (CTBTO).
- ¶2. (SBU) Frantz was particularly interested in the challenge of fomenting cultural change among the IAEA's safeguards inspectors to encourage them to go beyond "counting staples" to actively engaging their analytical detecting skills. Frantz mentioned that the IAEA had identified only one case of non-compliance in its entire history (Egypt) and that if IAEA inspectors could not currently "catch anyone" violating their safeguards agreements, they would not catch anyone in the future, either. On a slightly different topic, Frantz told Mission about inspectors' concerns that they had been pushed out of DPRK inspections by the U.S. (DCM explained the history of the DPRK's negative view of the greater UN system, U.S. support for the IAEA's role in the DPRK, and the DPRK's justifiable fear of its misdeeds being uncovered.)
- 13. (SBU) Frantz relayed to Mission the high apprehension felt in the IAEA Secretariat regarding the candidacy of Yukiya Amano for Director General. There were fears that Amano would run the Agency along the lines of a Japanese business model, bringing in Japanese managers and taking orders from Tokyo. Frantz said that IAEA staff were keeping their fingers crossed that neither of the two DG candidates received two-thirds of the necessary votes during March elections, thereby forcing an impasse that would open the race to additional candidates.
- 14. (SBU) Frantz was animated by a meeting with CTBTO Provisional Technical Secretariat Director General Tibor Toth, a demonstration of the CTBTO's International Monitoring System (IMS) and the IMS' proven success at detecting nuclear tests. Frantz hoped the U.S. would soon pay off arrears to the organization and succeed in ratifying the Comprehensive Test Ban Treaty (CTBT).
- 15. (SBU) Frantz was particularly concerned with narcotics and crime issues in the "triangle" states of Pakistan,
 Afghanistan and Iran. Frantz proposed that more states in the region such as Turkey be brought into the UNODC's "triangle program" to control the regional narcotics trade. This would allow the U.S. to play off national consumption

issues while engaging more productively in the region and doing more to control the global flow of narcotics.

- 16. (SBU) Comment: Frantz's background as an investigative journalist and nonproliferation specialist served him well in Vienna, given he knew many IAEA staff personally and enjoyed unfettered access to the building. At the same time, Frantz benefited from Mission's views on political issues as well as U.S. technical priorities in the areas of nuclear security, safety and monitoring. Frantz agreed that the Vienna-based issues were high on Senator Kerry's priority list and he would consider proposing a future visit. End Comment.
- \P 7. (U) Staffdel Frantz cleared this message. SCHULTE